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FM AMEMBASSY HARARE
TO RUEHC/SECSTATE WASHDC PRIORITY 2691
RUEBHGA/USDA WASHDC PRIORITY
INFO RUEHDC/USDOC WASHDC
RUEHSA/AMEMBASSY PRETORIA 4565
RUEHLD/AMEMBASSY LONDON 2868
BT
C O N F I D E N T I A L

LIMITED OFFICIAL USE HARARE 00468

PRETORIA FOR AGATT

E.O. 12356: N/A
TAGS: EAGR, ETRD, OREP (EVANS, COOPER), ZI
SUBJECT: CODEL EVANS: SUMMARY OF USDA GSM MEL SIMS
VISIT TO HARARE JANUARY 4-10, 1984

REF: HARARE 0280

1. IN CONNECTION WITH CODEL EVANS, USDA GENERAL SALES MANAGER MEL SIMS VISITED HARARE JANUARY 4-10. ACCOMPANIED BY AGATT HAVILAND FROM PRETORIA, SIMS MADE A SERIES OF CALLS IN HARARE ON JANUARY 5 AND 6. HE CONFERRED WITH BILL LONG OF THE GRAIN MARKETING BOARD, JOHN LAURIE OF CFU, PERMSEC ROBBIE MUPAWOSE OF MIN. AGRICULTURE, PRESIDENT ROBINSON GAPARE OF THE NATIONAL FARMERS ASSOCIATION, PAT HENSON AND BUD WHITAKER OF THE COMMERCIAL GRAIN PRODUCERS ASSOCIATION, DEP. MINISTER OF TRADE AND COMMERCE JOHN LANDAU, GENERAL MANAGER PETER COX OF COLCOM (PORK MARKETER), DENNIS KING OF THE ZIMBABWE FRIESLAND SOCIETY, AND TOM DE LA HUNT WHO IS MANAGER OF STOCKFEEDS FOR NATIONAL FOODS, ONE OF ZIMBABWE'S LARGEST MILLERS. FINALLY, WHITAKER HOSTED A WORKING LUNCHEON SUNDAY, JANUARY 8, FOR CONGRESSMAN EVANS AND SIMS.

2. SIMS' VISIT COVERED BOTH THE WHITE AND BLACK FARMING SECTORS, THE PRODUCERS AS WELL AS THE MARKETERS AND MILLERS OF GRAIN, A DAIRY FARMER AND THE DAIRY BREEDERS. IN HIS ROLE AS GSM, SIMS MADE A LOW-KEY BUT PERSUASIVE SALES PITCH TO CFU AND THE LIVESTOCK MEN BASED ON USDA'S DAIRY CURTAILMENT PROGRAM IN THE U.S. IN ESSENCE, HE SAID, USDA'S PROGRAM TO REDUCE DAIRY PRODUCTION 10-30 PERCENT SHOULD LEAD TO A SELL-OFF OF BETTER-THAN-AVERAGE PEDIGREED DAIRY ANIMALS, EITHER FOR BEEF OR FOR EXPORT. A SURGE IN ANIMALS FOR SALE WILL PRODUCE ATTRACTIVE PRICES AND UNUSUALLY RESPECTABLE ANIMAL QUALITY FOR THE NEXT 12-15 MONTHS. ANY COUNTRY WISHING TO REBUILD HERDS OR IMPROVE BLOODLINES SHOULD TAKE A CLOSE LOOK AT THIS OPPORTUNITY.

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USDA WAS PREPARED TO SUPPORT LIVESTOCK EXPORTS BY EXTENDING CREDIT WITH GRACE PERIODS OF THREE OR MORE YEARS.

3. THESE WORDS WERE WELL RECEIVED BY THE FRIESLAND BREEDERS, WHO HAVE COME BACK TO THE EMBASSY WITH AN EXPRESSION OF INTEREST (REFTEL HARARE 0280).

4. IT MUST BE NOTED, HOWEVER, THAT THE RISKS AND COST OF SHIPPING PEDIGREED DAIRY ANIMALS, AS OPPOSED TO DOSES OF FROZEN SEMEN, WEIGH HEAVILY ON OUR EXPORT PROSPECTS. TO OFFSET THESE RISKS WE ARE SELLING TIME (SEMEN TAKES 2 YEARS TO PRODUCE THE MATURE ANIMAL THAT WE WOULD BE AIR-SHIPPING), AND PROVENMILKER OR STUO PERFORMANCE, BUT THESE BENEFITS WILL NOT BE PERSUASIVE UNLESS OUR FINANCING IS VERY GOOD INDEED. A GOZ FOREIGN EXCHANGE ALLOCATION FOR IMPORTS OF LIVE ANIMALS WILL BENEFIT THE TOP TIER OF ZIMBABWE'S DAIRY BREEDERS IN THE FIRST INSTANCE, THE COMMERCIAL MILK PRODUCERS IN THE SECOND INSTANCE, AND THE COMMUNAL AGRICULTURAL POPULATION (MUGABE'S ELECTORAL CONSTITUENCY) HARDLY AT ALL. THE BLUNT POLITICS OF THE DEAL ALMOST REQUIRE A ZERO FOREIGN-EXCHANGE OUTLAY OVER WHATEVER GRACE PERIOD THE GOZ REQUESTS.

5. THESE OBSERVATIONS MAY BE PESSIMISTIC, BUT WE SHOULD HARBOR NO ILLUSIONS OVER THE COMPETITIVENESS OF SEMEN, SINCE IT IS BEING DONATED GRATIS BY THE UK AND THE GOZ CAN ALLOCATE IT DIRECTLY TO COMMUNAL FARMERS IF IT SO CHOOSES. PLEASE ADVISE US HOW WE CAN HELP PROMOTE SALES OF LIVE ANIMALS.

6. EMBASSY WISHES TO NOTE THAT BOTH SIMS AND EVANS WERE MOST PLEASANT AND EASY GUESTS HERE AND THAT THEIR MEETINGS WERE OF GREAT VALUE TO ALL PARTIES INCLUDING MEMBERS OF THIS MISSION WHO ATTENDED. KEELEY
END OF MESSAGE

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